

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 2, 2015

CERTIFIED RETURN RECEIPT 7013 3020 0002 3659 5910

Carl Clyde Geneva Rock Products, Inc. P.O. Box 1955 Orem, Utah 84059

Subject: Evaluation of Reclamation Surety, Geneva Rock Products, Inc., North Grantsville

Quarry, M/045/0077, Tooele County, Utah

Dear Mr. Clyde:

The last reclamation cost estimate for the North Grantsville quarry was completed in 2009 and escalated to 2014 with an escalation date of March 1, 2014, so the reclamation surety amount is now due for review and adjustment. The Division may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

To properly calculate the reclamation bond the Notice of Intention to Commence Large Mining Operations (LMO) needs to be up to date to ensure it is adequate and reflects the current operating conditions. Any necessary changes should be addressed by submitting an amendment to the LMO using form MR-REV (LMO).

The Division is aware that ground disturbance has not commenced and suggests that you may want to calculate the surety for a portion of the operations. The reclamation cost estimate should be calculated such that it provides adequate surety for at least the amount of disturbance anticipated over the next five years, and the LMO would need to reflect this. Please update the bond forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate. Please submit the reclamation cost estimate as an amendment to the Notice of Intention to Commence Large Mining Operations (LMO) by November 2, 2015.



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Please contact Leslie Heppler at 801-538-5257 for the LMO update, Wayne Western at 801-538-5263 for the bond update, or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number M/045/0077.

Sincerely,

Paul B. Baker

Mining Program Manager

PBB: lah:mt:pb

cc: Brent Sumsion, Clyde Companies (bsumsion@clydeinc.com)

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